

BUILDING DEVELOPMENT COMMISSION

Minutes of October 20, 2015 Meeting

Jonathan Bahr opened the Building-Development Commission (BDC) meeting at 3:08 p.m. on Tuesday, October 20th 2015.

Present: Jonathan Bahr, Chad Askew, Tom Brasse, Melanie Coyne, Travis Haston, Hal Hester, Rodney Kiser, Ben Simpson, Michael Stephenson, John Taylor and Wanda Towler

Absent: Rob Belisle and Scott Shelton

1. Minutes Approved

Tom Brasse made the motion to approve the BDC Meeting Minutes of September 15th 2015; seconded by Travis Haston. The motion to approve said meeting minutes passed unanimously.

2. BDC Members Issues

Jonathan recognized Commissioners Dumont Clarke and Pat Cotham thanking them for their attendance.

3. Industry Association Issues

Jonathan Bahr asked if association industry attendees had issues in which they wished to bring before the BDC. Industry representatives in attendance were: Charlotte Chamber, HBA Charlotte, NARI, ABC of the Carolinas, AIA Charlotte, ASLA, Greater Charlotte Apartment Association, Charlotte Plumbing, Heating & Cooling Contractors Association and the Charlotte Area Association of Electrical Contractors. Mr. Bahr also welcomed other industry attendee participation.

Mr. Joe Padilla discussed HB255 and pointed out hearing quite a bit of issues coming up with holds. He understands the technology work force committee will meet to look at these issues and is hopeful we can get this addressed.

4. Public Attendee Issues

No public attendee issues.

5. Building Development Commission Policy

Aka BDC Member Association Information Distribution Responsibility

Jim Bartl opened the discussion saying this continues the BDC's discussions in August and September on clarifying BDC member associations' responsibility to distribute information to their members, when the BDC itself identifies that information.

On June 16, the BDC discussed AE-GC-Builder Task Force recommendations on topic 14, including item 5 related to the BDC's responsibility to distribute information. The discussion included necessary fixes to BDC member association seat designations. At the BDC's request, the Department developed a related RFBA and draft BDC policy.

On August 18, the department presented the RFBA. The BDC voted in support of the seat designation changes. The BDC also debated information distribution policy at length, but deferred a final vote to September.

On September 15, the BDC agreed in concept to a set of text changes to the draft policy. On September 23, Department leadership met with County Attorney Marvin Bethune, confirming that deleting Item 5 "accountability procedures" from the draft policy eliminated the need for a change in the Building-Development Ordinance. The revised BDC Policy on distributing information to association membership (8/7/15, rev 9/15/15) was distributed to all BDC members on September 24, including both track change and final versions.

Tom Brasse made the motion to approve the revised BDC Policy on information distribution; seconded by Chad Askew; the motion passed unanimously.

6. Veteran's Training Program

Jonathan Bahr and Jim Bartl discussed the Veteran's Training Program to be presented to the Board of County Commissioners, Tuesday, October 20th. Mr. Bahr and the Department requested formal support of this program. A briefing of the program and handout was delivered to the BDC explaining; the County and the Department have teamed up with CPCC to offer a career path to Veterans interested in the construction industry. The County has created and funds 10 program positions titled "inspector trainee". This training will include a mix of CPCC classes (335 hours) and 664 hours in Code Enforcement Inspections through field rides, focusing on residential construction. Upon successful completion of the 12 month program, participants take the NCQB code officials exam and can apply for a full time inspection position with the Department. The Department is very enthusiastic about this idea and looks forward to working with CPCC and the staff from the County's Office of Community Support Services, focusing on veterans.

Travis Haston made the motion to approve the Veteran's Training Program seconded by Tom Brasse; the motion passed unanimously.

7. Review of HB255

David Gieser reminded BDC Members that on June 17, we shared with you our development of HB255. Since that time the bill has become law. HB255 is also known as S.L. 2015-145 signed by the Governor on July 13th 2015 and became effective on October 1st. On October 8th you were sent a copy for reference. David went on to say there are ten parts to the law, plus Part 11, setting the 10/1/15 effective date. Five parts of the law deal with issues at the state level and, while they may impact us indirectly require no process changes. That includes the following.

- Part 1: references limitations in NCGS 153A-352(b) and 160A-412(b)
 - Part 2: charges the BCC with studying procedures for approval of alternate method designs.
 - Part 5: creates a Residential Code Committee within the BCC.
 - Part 6: requires NCDOI to post BCC decisions and DOI commentaries or written interpretations given by staff to the BCC.
 - Part 7: restricts using permit fees for anything other than support of the permitting and inspections
- Of the remaining five parts, three are of a lesser scale/impact on the Department and include the following.
- Part 3: identifies 6 conditions considered evidence of misconduct/negligence/incompetence. The last conditions addresses inspection performance in a timely manner.

We discussed this with Marvin Bethune and we believe this relates more to the Department at large and its ability to deliver on performance measures agreed to with the Building Development Commission (those would be considered delivering service in a "timely manner"). As long as inspectors adhere to the Department strategy to be developed in addressing item one above, inspectors themselves would not be at risk.

- Part 4: relates to residential permit thresholds (NCGC 143-138(b5)), increasing from \$5k to \$15k. However, it did not change the applicability of permits identified in this NCGS section. So many of the small project permit triggering identifiers stay in place (load bearing changes, plumbing changes, electrical wiring, etc.). We will remind staff about those cases still triggering a permit requirement.
- Part 10 revises NCGS 83A-13(c)(3) & (4), deleting the requirement for an Architects seal on projects of less than 2,500 sq. ft. and less than \$90,000 construction cost.

It is important to note that PE seals are still required where MEP work is involved.

- Part 9 revises NCGS 160A-412, allowing substitution of AE certification of a construction “component or element”, provided the same AE inspects the work and provides written documentation that it complies with the NC Building Code.

The Department is developing a list of examples of what might be considered a construction “component or element” for reference by line staff, along with a process description we will follow in assessing the “component or element”. It’s important to note the AE inspecting the work and providing written documentation of compliance with the NC Building Code, must be the same AE submitting the proposal (for example, their designee may not inspect the work).

- Part 8.1 revises NCGS153A352(b) and 160A-412(b) requiring the local code official (CEO) to complete the inspection requested by the permit holder.

In addition, on residential projects, the change specifically requires the inspector to inform the permit holder of instances where the work is incomplete.

As opposed to HB255’s other 9 parts, there are varying interpretation on what 8.1 means. On October 2, NC DOI Deputy Commissioner Chris Noles reviewed their assessment HB255, including section 8.1. Mr. Noles review including instructions to “consult your local gov’t attorney”. Since DOI’s interpretation of section 8.1’s language varied somewhat from ours (developed with County Attorney Marvin Bethune) we’re pursuing the following strategy.

M. Bethune sent a letter to Mr. Noles on Oct. 9, for delivery to the NCAG’s office, including examples of how we apply defect codes to example project situations. We requested verification the examples comply with HB255, or if not, what we need to do differently. When we hear from the NCAG, we will advise the BDC on if the NCAG advises our process complies, no changes are required or if they advise our process does not comply, we will estimate the resource implications of process revisions, for discussion with the BDC & industry.

8. Department Proposal to Add CEO Positions

Jim Bartl noted that the Department budget of \$25.845M includes 225 FTE’s.

- Plan Review: CEO betterments approved in Fy14-3, Fy15-4, Fy16-4; total – 11
 - Of those, 6 remain vacant today (so 54%+ still vacant.)
- Inspections: CEO betterments approved in Fy14-6, Fy15-13; total – 19
 - Of those, 5 remain vacant today (so 26.%+ still vacant)
- Does not take into account filling attrition positions
- Success is owed to a difference in how we publicize the hiring range.

Briefly looking at trends in permits and inspections; Jim compared FY13 – FY14 saying permits were up 8.2% (from 81,427 to 88,160); inspections were up 14.4% (from 207,988 to 238,068). In comparing FY14 – FY15 permits were up 7.7% (from 88,160 to 94,913); inspections were up 9.6% (from 238,068 to 261,121). Other data considerations is that FY16 YTD P&I is tapering off somewhat; permits down 3.9% (FY15-24.3k to FY16-23.3k); inspections up 2% (FY15-69.1k to FY16-70.4k). We still have an IRT discrepancy between measured performance and goal, as follows. FY15 yearend numbers were 16.2% below goal. FY15 YTD numbers are 19.7% below goal. The IRT discrepancy indicates it will take adding 20 inspectors to reach goal. We suggest starting with 12 inspectors; bldg.-4, elec-4, mech-2, plbg-2.

We believe the demand is there to justify hiring 20 FTE positions as follows:

- 12 inspectors.....\$1,015,258
- 6 plan reviewers.....\$376,774
- 1 AST support staff.....\$44,480
- 1 MCFM position.....\$96,520

- Total cost.....\$1,533,032, including vehicles, computers and other hard costs

The revenue picture after 3 months (also to be discussed in Dept stat report) shows \$6,557,820 is above projection (\$5,476,071) by \$1.0817M or 19.75%. FY16 budget projected permit rev at 9/30/15 is \$5,476,071. Permit revenue is \$1.08M > projection; total revenue is \$1.24M > projection; so we have revenue to cover 20 added positions.

In November the Department plans to advance an RFBA proposal for added positions to the BOCC. The RFBA requires a formal vote by the BDC. This may be adjusted, depending on the AG's answer on HB255 inspection requirements.

9. Construction Valuation Data Report Bug

Jim Bartl described this report an FYI and requiring no action by the BDC. In preparing the July BDC meeting outline, we identified a large error in the construction valuation report stats produced by POSSE. We did a very quick analysis and adjusted the number down to what we thought (at the time) was accurate. In later chasing down the thread of that reporting error, we've discovered the problem is more extensive than just June 2015, relates to "deferred" permit status, and may go back several years. We believe this is limited to construction value permitted only, and an early check showed it has no effect on revenue numbers pulled from Navision, permit fees validated, permit counts or inspection counts. While in comparison to revenue recorded, permit counts and inspection counts, construction value permitted is not key number in our monthly planning, it is a number that is used publicly, so we want to get this fixed and we want to be sure the fix is accurate. Jim outlined a regimen to work through the problem, consisting of 3 large action items:

- 1) Research POSSE report programming and determine how far back the problem goes. Test initially to verify if it is limited to Construction Value Permitted.
- 2) Identify the report programming revisions required to fix.
- 3) Hire an independent 3rd party to verify a) the fix worked and b) the problem had no impact on previous reports involving fees validated, permit counts or inspection counts.

We plan to report back to the BDC before the FY17 budget process starts. In the interim, the BDC monthly report will suspend the use of construction value permitted numbers, until the report programming bug has been neutralized.

10. Technology Priorities Related to Gartner/Task Force Recommendations

At the request of the County Manager, the County would like to get some users of Code Enforcement's technical systems (POSSE, EPM, etc.) in a room with City/County staff to codify or adjust the prioritization of upcoming system enhancements. It is anticipated that this group of experienced users will only meet a couple of times and then be available in the future on an as needed basis.

Technology strategies were discussions during the work by the AE-GC-Builder Task Force (TF) in meetings 3, 4 & 6. See page 15, Part 4: Technology Supporting Recommendations, which includes a summary of all the technology support involved and how long it will take to bring on line. Part 4 was developed before the tech hold was put in place in late February, shortly after the TF Final Report was delivered to the BDC, so we'll have to reassess the timing on each forecast.

Moving forward, we will assemble a large group of customer reps to review the TF technology related material again, confirming that the assumptions made (on necessity and priority) last year still hold. Meeting(s) will be scheduled in late November to mid-December. Participating industry members would be; Glen Craig, David McGuire, Joe Padilla, Rob Reimer, Brian Holladay, Bernice Cutler, Harry Sherrill,

Larry Walters, Alicia Bickett, Connie Brown, Mike Doyne, Walter Kirkland, Charlie Watts, Rob Belisle, Andrew Kennedy, Rob Nanfelt, and Chris Urquhart.

11. Quarterly Reports

Commercial Plan Review Report – Chuck Walker

Part I: 72% of projects pass on 1st rev'w (up slightly from 71%); 87% passed on 2nd rev'w (up from 84%)

- Pass rates on 1st review by trade: Bldg–82% (was 83%); Elec – 90% (was 87%); Mech – 87% (was 87%); Plbg – 84% (was 84%)

Part II: most common defects:

- Bldg: Appendix B, exit related (3), UL assembly, energy summary, doors, hardware, bath clear floor space.
- Elec: services/feeders, general, branch circuits, grounding/bonding, transformers, motors, emergency syst.
- Mech: exhausts system, duct systems, fresh air req't, eqp't location/installation, gas piping, gas eqpt install.
- Plbg: plbg syst inst'l, water distr piping & mat'ls, sanitary drainage piping, venting, traps & interceptors.

Part III: use of “approved as noted” (AAN) at 36% by all trades on average (last quarter was 35%)

- Biggest users; CFD (85%) and MCFM (71%)
- Critical path users; Bldg-32% (down from 34%), Elec- 16% (down from 17%), Mech-18% (up from 11%), Plbg-24% (up from 15%),
- So Bldg & Elec down a bit (1-2%), mech & Plbg up significantly (7-9%).

Code Compliance Report - Gary Mullis

- “Not ready”; Note 1 indicates these numbers aren't available right now. The recent change in defect codes requires batching new codes to create a set comparable to the old “not ready” defect code scope.
- Rough/finish % split varies, some up, some down
 - Bldg; rough @ 37.08% (was 33.9%), finish @ 17.02% (was 20.21%)
 - Elec; rough @ 25.16% (was 21.42%), finish @ 50.20% (was 50.39%)
 - Mech; rough @ 35.66% (was 30.45%), finish @ 49.47% (was 52.19%)
 - Plbg; rough @ 30.27% (was 27.99%), finish @ 37.89% (was 35.47%)
- “Top 20” repeating topics; Building at 60%, Electrical at 80%, Mech at 60% and Plbg at 70%

Consistency Team Report – Tommy Rowland

- Building: held two sets of meetings this quarter.
 - Bldg-Residential: addressed a total of 23 questions. Contractor attendance averaged 7 at each meeting.
 - Bldg-Commercial: addressed a total of 19 questions. One design professional attended the July mtg.
- Electrical: held three consistency meetings. In total, the meetings addressed 72 topics. Contractor attendance averaged 4+ (July-3, August-4, Sept-6)
- Mechanical/Fuel Gas: held three consistency meetings. In total, the meetings addressed 16 topics. Contractor attendance averaged 4+ (July-3, August-4, Sept-6)
- Plumbing: held three consistency meetings. In total, the meetings addressed 12 topics, with 1 contractor each attending the July & August meeting.

Technical Advisory Board Quarterly Report- Tommy Rowland

The TAB met on September 10; 3 industry members attended, in addition to the CA's, Patrick G & Jeff V. Meeting focus; transformer protection, in response to Duke Energy advising us they would be changing their standard for clearances to lesser dimensions. The meeting consisted of a presentation by Gary Mullis on transformer protection caparisons from the utilities and the proposal to reduce the clearances further. There was much discussion on our current requirements already being in line or less than the industry. Reducing further could pose a safety risk to the occupants of the buildings. It was decided not to decrease the required clearances and maintain our current requirements.

Code Interpretation Quarterly Newsletter – Shannon Clubb

At the end of October, we will publish the edition covering changes in July-August-September. This issue will highlight any changes to our service provision strategy or other effects of the implementation of Building Code Reform/HB255.

12. Quarterly BDC Bulletin Exercise

Previous Bulletin Topics:

October, 2013 New BDC members Code interp search engine goes live Owner-developer webpage and "starting a small business" webpage BIM-IPD and future Department challenges	January, 2014 Role of the BDC 2014 CSS survey distribution HCD team concept CSC design project BDC discussion of BCC 6 year code cycle proposal	April, 2014 CA web search engine available Customer Service Center design project work BDC Select Comm to meet with industry IRT Subcommittee recommendations to add inspector positions.	July, 2014 Customer Service Center project status. Phased Occupancy best practice summary. Select Committee status and follow up Task Force work. Overview of the Department's work.
October, 2014 AE-GC-Builder Task Force startup and progress MF Elec Service revised DOI interpretation Reminder on paperless review process AE feedback tool Fy14 results BDC Select Committee completes assignment	February, 2015 Gartner Report status AE-GC-Builder Task Force recommendations Best Practice summaries HCD Team progress Fy16 budget process	April, 2015 New BDC members Customer Service Center development update LUESA office location move Subcommittee continuing work on Task Force recommendations	July, 2015 Mega Multifamily Inspections Team update Code Compliance Task Force completes assignment Code Interpretation Quarterly Newsletter New Director of Inspections. Fy16 budget approval
October, 2015 New BDC Members HB255 & Impact on the Permitting and Inspections Process Suttle Avenue Move and the Opening of the Customer Service Center Tracking Progress on Advancing Gartner/Task Force Recommendations Building with our Veterans			

14. Department Statistics and Initiatives Report

September 2015 Statistics

Permit Revenue

- September permit (only) rev - \$1,969,600, compares to August permit (only) rev - \$2,154,637
- FY16 budget projected monthly permit rev = \$1,825,357, so August is 144.24k above projection
- YTD permit rev = \$6,557,820 is above projection (\$5,476,071) by \$1.0817M or 19.75%

Construction Value of Permits Issued

- Report temporarily suspended; see item 8 of this outline

Permits Issued:

	August	Sept	3 Month Trend
Residential	4717	4436	6355/5543/4717/4436
Commercial	2456	2182	2903/2914/2456/2182
Other (Fire/Zone)	377	378	392/346/377/378
Total	7550	6996	9650/8803/7550/6996

- Changes (August-Sept); Residential down 6%; commercial down 11.2%; total down 7.34%

Inspection Activity: Inspections Performed

Insp. Req.	August	Sept	Insp. Perf.	August	Sept	% Change
Bldg.	7634	7466	Bldg.	7706	7520	-2.42%
Elec.	8220	7847	Elec.	7952	7555	-5%
Mech.	4589	4488	Mech.	4583	4246	-7.36%
Plbg.	3668	3617	Plbg.	3444	3360	-2.44%
Total	24,111	23,418	Total	23,685	22,681	-4.24%

- Changes (August-Sept): Bldg down 2%+, Elec down 5%, Mech down 7%+, Plbg down 4%+
- Insp performed were 96.8% of insp requested

Inspection Activity: Inspections Response Time (new IRT report)

Insp. Resp. Time	OnTime %		Total % After 24 Hrs. Late		Total % After 48 Hrs. Late		Average Resp. in Days	
	Aug	Sept	Aug	Sept	Aug	Sept	Aug	Sept
Bldg	69.7	74.07	88.3	91.9	96.2	98.1	1.47	1.35
Elec.	47.2	54.6	78.3	88.0	95.0	98.5	1.79	1.58
Mech.	68.4	64.9	90.8	91.7	96.8	98.6	1.46	1.45
Plbg.	55.6	59.2	80.1	85.5	95.6	98.1	1.69	1.58
Total	59.6	63.5	84.1	89.6	95.8	98.3	1.61	1.48

- Bldg, Elec & Plbg improved 4-7%, mech down 3%+ **IRT report indicates Sept. average is currently 21.5% below the goal range of 85-90%**

Inspection Pass Rates for September, 2015:

OVERALL MONTHLY AV'G @ 79.55% in September, compared to 79.36% in August

<u>Bldg:</u>	August – 69.46%	<u>Elec:</u>	August – 78.81%
	September – 69.41%		September – 79.15%
<u>Mech:</u>	August – 84.13%	<u>Plbg:</u>	August – 90.32%
	September – 84.37%		September – 90.56%

- Overall average up slightly from last month, and still above 75-80% goal range.

On Schedule and CTAC numbers for September, 2015

CTAC:

- 99 first reviews, compared to 110 in August.
- Projects approval rate (pass/fail) – 60%
- CTAC was 31% of OnSch (*) first review volume $(99/99+222 = 321) = 30.84\%$
*CTAC as a % of OnSch is based on the total of only scheduled and Express projects

On Schedule:

- May, 14: 223 -1st rev'w projects; on time/early–97.63% all trades, 96% B/E/M/P only
- June, 14: 241 -1st rev'w projects; on time/early–94% all trades, 95% B/E/M/P only
- July, 14: 203 -1st rev'w projects; on time/early–90.4% all trades, 96% B/E/M/P only
- August, 14: 248 -1st rev'w projects; on time/early–85.75% all trades, 96% B/E/M/P only
- September, 14: 189 -1st rev'w projects; on time/early–92% all trades, 94.75% B/E/M/P only
- October, 14: 239 -1st rev'w projects; on time/early–95% all trades, 94% B/E/M/P only
- November, 14: 194 -1st rev'w projects; on time/early–95.6% all trades, 95.25% on B/E/M/P only
- December, 14: 203 -1st rev'w projects; on time/early–95.25% all trades, 94.25% on B/E/M/P only
- January, 15: 185 -1st rev'w projects; on time/early–92.88% all trades, 93.5% on B/E/M/P only
- February, 15: 192 -1st rev'w projects; on time/early–94.75% all trades, 96.5% on B/E/M/P only
- March, 15: 210 -1st rev'w projects; on time/early–95.1% all trades, 97.5% on B/E/M/P only
- April, 15: 240 -1st rev'w projects; on time/early–91.5% all trades, 96.75% on B/E/M/P only
- May, 15: 238 -1st rev'w projects; on time/early–95% all trades, 94.75% on B/E/M/P only
- June, 15: 251 -1st rev'w projects; on time/early–94.95% all trades, 95.82% on B/E/M/P only
- July, 15: 218 -1st rev'w projects; on time/early–91.1% all trades, 90.75% on B/E/M/P only
- August, 15: 215 -1st rev'w projects; on time/early–91.5% all trades, 93% on B/E/M/P only
- September, 15: 235 -1st rev'w projects; on time/early–87.12% all trades, 92.5% on B/E/M/P only

Booking Lead Times

- On Schedule Projects: **for reporting chart posted on line**, on September 28, 2015, showed
 - 1-2 hr projects; at 2 work days booking lead, except bldg & City Zoning at 3 work days
 - 3-4 hr projects; at 2-3 work days lead, except City Zoning at 5 work days
 - 5-8 hr projects; at 3 days, except bldg.-40, MP-20, Env't Hlth – 12 and City Zon'g-6 work days
- CTAC plan review turnaround time; BEMP at 10 work days, and all others at 1 day.
- Express Rev'w booking lead time; 13 work days for small projects, 27 work days for large projects

Status Report on Various Department Initiatives

BVD Update

Volunteers include John Taylor; Darrell Fries (for HBA), Glen Craig (for GCAA), Michael Stephenson and Harry Sherrill. The group met on October 7 and October 19, reviewing the process used in 2012-13, the 2013 & 2015 IBC table (briefly) and comparison charts generated by the Department to support evaluating where occupancy/construction type increases from 2012-2015 are appropriate, or need adjustment. The next meeting is tentatively scheduled for early November. The goal is to have a final recommendation in the BDC November or December meeting, but no later than January.

Updates on Other Department Initiatives in the Works

- Mega Multifamily Inspection Team and Inspections Realignment project status will be discussed in the *December 15th* BDC meeting.
- Gartner/Task Force Recommendations Update will be discussed in the *December 15th* BDC meeting.
- BDC's direction on training / strategy update will be discussed in *November's* BDC meeting.

Manager/CA Added Comments

No added comments from Managers or CA(s).

12. Adjournment

The October 20th meeting of the Building Development Commission adjourned at 5:08 p.m.

The next meeting of the Building Development Commission is scheduled for Tuesday, November 17th 2015.